

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 557 - SB 930

March 2, 2009

SUMMARY OF BILL: Requires high school seniors beginning in the 2009-10 school year to pass a one-semester course in personal finance to receive a regular public high school diploma.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$2,352,000

Increase Local Expenditures - \$1,008,000*

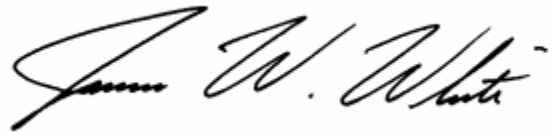
Assumptions:

- The State Board of Education approved new curriculum standards on January 25, 2008 effective for the freshmen class of 2009-10. One requirement of the new curriculum is that all students pass a finance course to receive a high school diploma. Steps are currently being taken to implement this change on the local and state level for the 2011-12 school year.
- According to the Department of Education, early implementation for the class of 2010 will require 70 additional teachers to be hired.
- The BEP standard for new teachers is \$48,000 in salary and benefits. This cost is split, with 70 percent BEP state share and 30 percent BEP local match.
- Total cost for 70 new teachers will be \$3,360,000 (70 x \$48,000). Total increase in local expenditures will be approximately \$1,008,000 (\$3,360,000 x 30%). Total increase in state expenditures will be approximately \$2,352,000 (\$3,360,000 x 70%).

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

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